

SUSTAINABLE PROCUREMENT POLICY & STRATEGY

“Sustainable procurement is a process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organisation, but also to society and the economy, whilst minimising damage to the environment.”

(Procuring the Future: Recommendations from the Sustainable Procurement Task Force, 2006)

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1. Sustainable Procurement Policy

1.1. PURPOSE

1.1.1. The purpose of the policy is to establish a common interpretation of sustainable procurement among staff and students across the University. It aims to communicate the strategic, reputational and operational implications of the social, environmental and economic impacts resulting from procurement decisions.

1.1.2. The policy outlines the strategic approach for implementing sustainability within the University's procurement processes, in accordance with broader Government and organisational strategies. It sets the overarching sustainable procurement objectives and the actions the University will take to deliver them.

1.1.3. The Sustainable Procurement Policy & Strategy (SPPS) is developed in line with the Flexible Framework, designed by the UK Sustainable Procurement Task Force. This widely used self-assessment tool allows organisations to measure and monitor their progress towards embedding sustainability within its procurement practices.

1.2. CONTEXT

Corporate Strategy

1.2.1. Sustainability is a core value at the University of Westminster; it has become an organisational objective to embed environmental and social consciousness throughout its corporate and academic business operations. As such, sustainable procurement is being pursued by the University as part of achieving efficiency, effectiveness and value for money and sits within its strategic aims.

"We are committed to sustainable practices, both on the global stage and in our own working environment. Our common goal is to respect the planet and green-thinking is at the heart of all we do" (Westminster 2020 Strategy).

Corporate Social Responsibility Strategy

1.2.2. Sustainable procurement plays an important role under the University's Corporate Social Responsibility (CSR) agenda by considering its key initiatives through purchasing activities, such as reducing the environmental impact of campus operations and activities, as well as maintaining the University's Fairtrade status.

1.2.3. As well as identifying ways to reduce spend; the University will continue to pursue value for money through its procurement processes with an aim to consider sustainability at every stage. Respectively, these sustainable procurement processes will ensure that the desired outcomes support the CSR initiatives and comply with relevant procurement regulations.

"We aspire to be a leading advocate and supporter of Social Responsibility in the Higher Education Sector and in our local and national communities. Our aim is to be a socially responsible, sustainable University in all of our activities, policies and actions so as to ensure our Westminster graduates have a beneficial impact on society, economically, socially, environmentally and ethically" (Corporate Social Responsibility (CSR) Strategy).

1.3. SUSTAINABLE PROCUREMENT OBJECTIVES

1.3.1. The sustainable procurement policy requires overarching objectives in order to be substantive and applicable. It also allows for a connecting strategy that is systematic and measurable with a continuous improvement approach.

1.3.2. Accordingly, the University's sustainable procurement objectives are set out in the table below and are aligned with the 5 Flexible Framework themes;

Ref.	Theme	Objective
1.	People	Develop sustainable procurement awareness and skills amongst staff and students, across the whole University
2.	Policy, Strategy & Communications	Develop an effective and understandable Sustainable Procurement Policy and Strategy, in line with Government policies and regulations, and communicate this to all stakeholders on a regular basis
3.	Procurement Process	Reduce the University's impact on the environment and maximise economic benefits by embedding sustainability at the early stage of the procurement process and throughout the procurement lifecycle
4.	Engaging Suppliers	Engage with suppliers to understand and reduce the impacts of its supply chains and purchase more sustainable and efficient products
5.	Measurements & Results	Monitor and review the impacts of actions taken in support of sustainable procurement and demonstrate results as well as identify opportunities to further improve sustainability practices

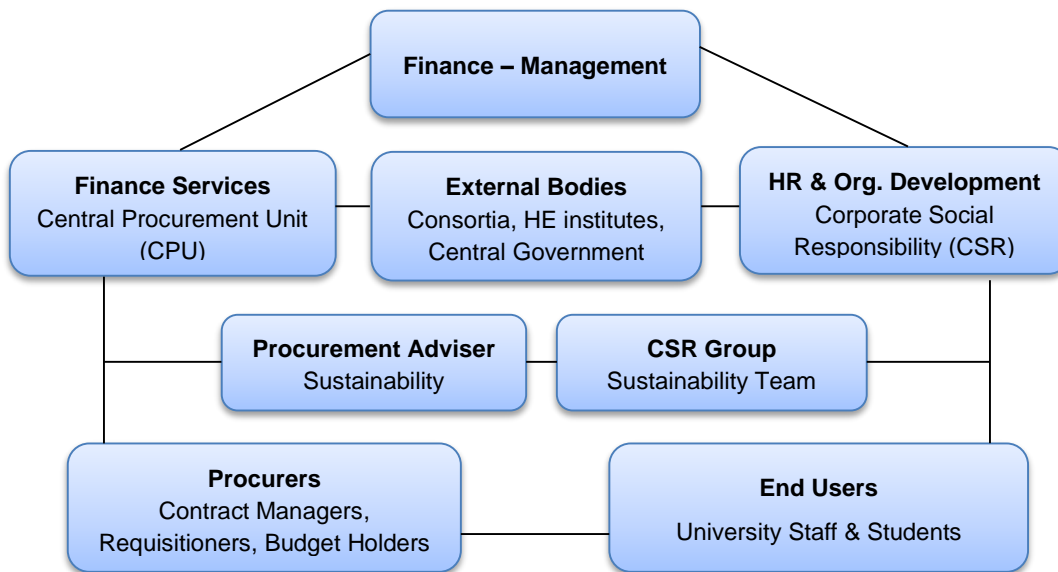
1.3.3. Delivering these objectives means that the University will meet its needs for goods and services in a way that achieves value-for-money on a through-life basis with minimal adverse impacts on the environment and society.

1.4. GOVERNANCE

1.4.1. The primary responsibility for sustainable procurement lies with the University's Central Procurement Unit (CPU) in Financial Management and is endorsed by the Head of Procurement. A Procurement Adviser is appointed to drive the embedding of sustainability within its procurement processes with the support of the University's Sustainability Team.

1.4.2. The Sustainable Procurement Policy & Strategy (SPPS) is subject to quarterly reviews to ensure consistency with relevant legislation and Government initiatives. The review is also undertaken in alignment with the Flexible Framework (FF) Project to monitor the University's progress towards achieving the overarching objectives and delivering results.

Governance Framework



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2. Sustainable Procurement Strategy

2.1. FLEXIBLE FRAMEWORK PROJECT

2.1.1. The University's sustainable procurement strategy is developed in line with the Flexible Framework (FF), a self-assessment tool designed by the UK Sustainable Procurement Task Force to allow organisations to measure and monitor their progress on sustainable procurement against the following 5 levels of achievement; 1) Foundation, 2) Embed, 3) Practice, 4) Enhance and 5) Lead. As per the matrix set out in Appendix A, the FF levels cover the following procurement-related themes;

- People;
- Policy Strategy & Communications;
- Procurement Process;
- Engaging Suppliers; and vibrant
- Measurements & Results.

2.1.2. A review of the Sustainable Procurement Policy (2014) was undertaken in December 2015 concluded that the University was achieving an FF level of between 1 and 2. Subsequently, the FF Project was initiated to establish a commitment towards reaching an FF level 3 (Practice) before 2017. In order to demonstrate a level 3 achievement, the University must deliver a set of action items aligned with the connecting FF guidance developed by Defra and the overarching SPPS objectives.

2.1.3. Under the FF Project, the University's progress and performance toward achieving a level 3 will be measured against set indicators and completion of required actions items.

2.2. COMMUNICATION

2.2.1. There are three essential types of communication required to implement the Sustainable Procurement Policy & Strategy (SPPS) successfully and for its objectives to be made achievable. The first is internal communications with procurers across the University, including requisitioners, contract managers, budget holders and those involved in the evaluation of bids. A Communications Plan was developed under the SPPS to effectively raise awareness about sustainability, to influence purchasing decisions and to establish constructive feedback loops.

2.2.2. The second type is external communication with both existing and potential suppliers. The University's Supplier Engagement Programme was initiated under the Flexible Framework (FF) Project which aims to develop a partnership approach with suppliers in order to promote continual sustainability improvements during the term of engagement.

2.2.3. Thirdly there is communication with external bodies such as consortia and advisory bodies, including Higher Education (HE) Institutes and the wider public and corporate sectors. The University utilises HE and Central Government purchasing consortia to raise contracts under framework agreements which are already established through Government compliant processes and in line with effectual sustainable procurement policies. The aim is to support member institutions to achieve value for money as well as generating benefits to society and the economy whilst minimising impacts on the environment.

2.4. REPORTING

2.4.1. The Corporate Social Responsibility (CSR) Group is a sub-committee of the Senior Executive Group (SEG). Its primary focus is to advise, develop and lead on matters relating to the University's corporate social responsibility including the monitoring of carbon emissions, water use, travel and waste production and sets targets in these areas. Accordingly, the Central Procurement Unit (CPU) is required to undertake key reporting duties which allow the CSR Group to monitor the University's performance against the CSR targets.

2.4.2. The Annual VFM Report presents the University's progress towards achieving savings and efficiencies made over the year which, as a result, helps determine the effectiveness and delivery of sustainable procurement.

2.4.3. The CPU is responsible for reporting under the HEFCE Efficiency Measurement Model (EMM) which is used to assess the performance of the HE sector with regard to efficiency and sustainability against targets set by Government spending reviews.

APPENDIX A

FLEXIBLE FRAMEWORK MATRIX

	Foundation – Level 1	Embed – Level 2	Practice – Level 3	Enhance – Level 4	Lead – Level 5
People	Sustainable Procurement champion identified. Key procurement staff have received basic training in Sustainable Procurement principles. Sustainable Procurement is included as part of a key employee induction programme.	All procurement staff have received basic training in sustainable procurement principles. Key staff have received advanced training on sustainable procurement principles.	Targeted refresher training on latest Sustainable Procurement principles. Performance objectives and appraisal include Sustainable Procurement factors. Simple incentive programme in place.	Sustainable Procurement included in competencies and selection criteria. Sustainable Procurement is included as part of employee induction programme.	Achievements are publicised and used to attract procurement professionals. Internal and external awards are received for achievements. Focus is on benefits achieved. Good practice shared with other organisations.
Policy, Strategy and Communications	Agree overarching Sustainability objectives for procurement. Simple Sustainable Procurement policy in place endorsed by CEO. Communicate to staff and key suppliers.	Review and enhance sustainable procurement policy, in particular consider supplier engagement. Ensure it is part of a wider Sustainable Development strategy. Communicate to staff, suppliers and key stakeholders.	Augment the Sustainable Procurement policy into a strategy covering risk, process integration, marketing, supplier engagement, measurement and a review process. Strategy endorsed by CEO.	Review and enhance the Sustainable Procurement strategy, in particular recognising the potential of new technologies. Try to link strategy to EMS and include in overall corporate strategy.	Strategy is: reviewed regularly, externally scrutinised and directly linked to organisations' EMS. The Sustainable Procurement strategy recognised by political leaders, is communicated widely. A detailed review is undertaken to determine future priorities and a new strategy is produced beyond this framework.
Procurement Process	Expenditure analysis undertaken and key Sustainability impacts identified. Key contracts start to include general Sustainability criteria. Contracts awarded on the basis of value-for-money, not lowest price. Procurers adopt Government Buying Standards.	Detailed expenditure analysis undertaken, key Sustainability risks assessed and used for prioritisation. Sustainability is considered at an early stage in the procurement process of most contracts. Whole-life Costing analysis adopted.	All contracts are assessed for general Sustainability risks and management actions identified. Risks managed throughout all stages of the procurement process. Targets to improve Sustainability are agreed with key suppliers.	Detailed Sustainability risks assessed for high impact contracts. Project/contract Sustainability governance is in place. A life-cycle approach to cost/impact assessment is applied.	Life-cycle analysis has been undertaken for key commodity areas. Sustainability Key Performance Indicators agreed with key suppliers. Progress is rewarded or penalised based on performance relevant to the contract. Barriers to Sustainable Procurement have been removed. Best practice shared with other organisations.
Engaging Suppliers	Key supplier spend analysis undertaken and high sustainability impact suppliers identified. Key suppliers targeted for engagement and views on procurement policy sought.	Detailed supplier spend analysis undertaken. General programme of supplier engagement initiated, with senior manager involvement.	Targeted supplier engagement programme in place, promoting continual Sustainability improvement. Two way communication between procurer and supplier exists with incentives. Supply chains for key spend areas have been mapped.	Key suppliers targeted for intensive development. Sustainability audits and supply chain improvement programmes in place. Achievements are formally recorded. CEO involved in the supplier engagement programme.	Suppliers recognised as essential to delivery of organisations' sustainable procurement strategy. CEO engages with suppliers. Best practice shared with other/peer organisations. Suppliers recognise they must continually improve their Sustainability profile to keep the client's business.
Measurements and Results	Key Sustainability impacts of procurement activity have been identified. Simple measures based on achieving all aspects of the Foundation level of the flexible framework are put in place and delivered.	Detailed appraisal of the Sustainability impacts of the procurement activity has been undertaken. Measures implemented to manage the identified high risk impact areas. Simple measures based on achieving all aspects of the Embedding level of the flexible framework are put in place and delivered.	Sustainability measures refined from general departmental measures to include individual procurers and are linked to development objectives. Simple measures based on achieving all aspects of the Practising level of the flexible framework are put in place and delivered.	Measures are integrated into a balanced score card approach reflecting both input and output. Comparison is made with peer organisations. Benefit statements have been produced. Simple measures based on achieving all aspects of the Enhancing level of the flexible framework are put in place and delivered.	Measures used to drive organisational sustainable development strategy direction. Progress formally benchmarked with peer organisations. Benefits from Sustainable Procurement are clearly evidenced. Independent audit reports available in the public domain. Simple measures based on achieving all aspects of the Leading level of the flexible framework are put in place and delivered.

APPENDIX B

SUSTAINABLE PROCUREMENT ACTION PLAN

1. People

Objective: Develop sustainable procurement awareness and skills amongst staff and students, across the whole University			
Ref	FF Level	Action Item	Target Date
1.1	1	Incorporate an introductory course on sustainable procurement as part of a training for new CPU staff members	SEP 2016
1.2	2	Design a sustainable procurement training module for internal staff and incorporate into the University's Sustainability e-learning course	SEP 2016
1.3	2	The lead Procurement Adviser for sustainability to complete NSPPP e-learning modules in addition to other relevant training courses	APR 2016
1.4	2	Develop internal procurement guidance which also covers sustainability considerations and best practice	MAY 2016
1.5	3	CPU staff to include a sustainable procurement objective in their PPDR and complete a training refresher if required at the bi-annual review stage	FEB 2016

2. Policy, Strategy & Communications

Objective: Develop an effective and understandable Sustainable Procurement Policy & Strategy (SPPS), in line with Government policies and regulations, and communicate this to all stakeholders on a regular basis			
Ref	FF Level	Action Item	Target Date
2.1	2	Develop a communications plan to effectively deliver the SPPS to internal and external stakeholders	APR 2016
2.2	2	Establish feedback loops and utilise staff/student surveys to assess level of awareness and identify ways of improving communications	AUG 2016
2.3	2	Introduce and regularly update information about sustainable procurement on the University's internal and external website to keep all stakeholders accurately informed	MAY 2016
2.4	3	Obtain delegate approval for the updated Sustainable Procurement Policy and newly developed Strategy	MAR 2016
2.5	3	CPU to work collaborative with the Sustainability Team to ensure that all aspects of sustainability are considered throughout procurement lifecycles and are consistent with internal policies and initiatives	Ongoing
2.6	3	The lead Procurement Adviser for sustainability will meet with the University's Sustainability Manager on a monthly basis for support with the sustainable procurement strategy and to track progress on shared action items	Ongoing

3. Procurement Process

Objective: Reduce the University's impact on the environment and maximise economic benefits by embedding sustainability throughout every stage of procurement lifecycle			
Ref	FF Level	Action Item	Target Date
3.1	1	Develop guidance material including a simple risk tool to assist procurers to understand the lifecycle impacts of purchases and identify the key risks/opportunities at the early stages of the procurement process	MAY 2016
3.2	1	Aim to embed Government Buying Standards (GBS) criteria or equivalent to bid evaluations and contracts, if they are relevant to the procurement	Ongoing
3.3	2	Perform spend analyses by using the Sustainable Procurement Task Force (SPTF) methodology, or similar, in order to assess and prioritise key sustainability risks for specific spend categories	JUL 2016
3.4	2	Adopt a Whole of Life Costing (WLC) assessment within bid evaluation for tenders over the OJEU threshold and perform WLC spot checks on existing contracts to monitor compliance	JUL 2016
3.5	3	Include a risk management approach for each key supplier categories so that actions can be identified to maximise sustainability, minimise risk at the most affordable price	JUL 2016
3.6	3	Have new and existing suppliers acknowledge a charter outlining the sustainability commitments of both parties	Ongoing

4. Engaging Suppliers

Objective: Engage with suppliers to understand and reduce the impacts of its supply chains and purchase more sustainable and efficient products			
Ref	FF Level	Action Item	Target Date
4.1	1	Develop feedback forms to allow suppliers to provide their views with respect to the University's procurement and sustainability processes	MAY 2016
4.2	2	Establish contracts under existing framework agreements whereby contract reviews and supply chain management practices are regularly performed and have already-formed supplier relationships to build on	Ongoing
4.3	2	Initiate a Supplier Engagement Programme in a joint-effort with the University's Sustainability Manager to establish a partnership approach with suppliers for the delivery of sustainability initiatives and to ensure two-way communication in maintained between procurers and key suppliers	MAY 2016
4.4	3	Incorporate supply chain mapping under the Supplier Engagement Programme for key suppliers which are identified as high-spend and/or have high sustainability impacts	JUL 2016
4.5	3	Implement a supplier charter to define the University's and supplier's commitments toward sustainability and best practice	MAR 2016

5. Measurements & Results

Objective: Monitor and review the impacts of actions taken in support of sustainable procurement and demonstrate results as well as identify opportunities to further improve sustainability practices			
Ref	FF Level	Action Item	Target Date
5.1	1	Develop a Flexible Framework project plan in order to implement the sustainable procurement strategy and achieve results	MAR 2016
5.2	2	Present a detailed appraisal of the sustainability impacts for individual procurements over the threshold and put measures in place to manage the high risk impact areas	Ongoing
5.3	3	Report sustainable procurement data to the University's Sustainability Team as part of annual financial processes and in connection with various CSR initiative such as the Carbon Footprint Report	Ongoing